Teaming with Your Administrator to Run A Successful Practice

Physician Leadership Institute

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The speaker has no relevant relationships of a commercial or financial nature nor any conflicts of interest to be disclosed.

Objectives

- Distinguish the components of a successful practice
- Identify the elements of a positive relationship
- List key indicators to lead and monitor operations
Successful Practices

- Environment of clinician and executive collaboration
- Use data and benchmarking tools
- Ensure competency
- Navigate regulatory environment and understand impact
- Invest in future to enhance patient experience and quality of care

Successful Practices

- Patient centered
- Fiscally sound
- High morale
- Engaged and empowered employees
- Low turnover
Medicine vs. Leadership

**The Nature of Medicine**
- Prescribe and expect compliance
- Immediate and short-term focus and results
- Procedures/episodes
- Relatively well-defined problems
- Individual or small-team focus
- Being the expert and carrying the responsibility
- Receiving lots of thanks
- Respect and trust of colleagues

**The Nature of Leadership**
- Lead, influence and collaborate
- Short, medium and long-term focus and results
- Complex processes over time
- Ill-defined, messy problems
- Larger groups crossing many boundaries, integrated approach
- Being one of many experts and sharing the responsibility
- Encountering lots of resistance
- Suspicion of being a “suit”


Three Ways to Lead

Research suggests that at least three distinct types of clinical leaders exist:

<table>
<thead>
<tr>
<th>Overall identity</th>
<th>Sources of power</th>
<th>Selected leadership skills and knowledge required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Few</td>
<td>Institution</td>
<td>Corporate-level strategic thinking, talent management, succession planning, political savvy, strong skills in negotiation and influence</td>
</tr>
<tr>
<td>Institutional leader</td>
<td>Clinician executive acting as steward of whole organization</td>
<td>Highly credible to colleagues as clinician and leader, able to communicate vision</td>
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<tr>
<td></td>
<td>Little direct contact with patients</td>
<td></td>
</tr>
<tr>
<td>Service leader</td>
<td>Service</td>
<td>Fluent service-management skills—eg, strategy/people development, budgeting</td>
</tr>
<tr>
<td></td>
<td>Passionate advocate for own service, tests responsible for clinical and financial performance</td>
<td>Highly credible to colleagues, primarily as clinician; well connected, can tap into centers of excellence</td>
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<tr>
<td></td>
<td>Moderate level of direct contact with patients</td>
<td>Innovative, willing to take risks</td>
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<tr>
<td>Frontline leader</td>
<td>Frontline</td>
<td>Understanding of systems—and quality-improvement techniques—eg, process mapping, operational improvement</td>
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<tr>
<td></td>
<td>Great frontline clinician who focuses on delivering and improving excellent patient care</td>
<td>Passionate about clinical work, credible to colleagues</td>
</tr>
<tr>
<td></td>
<td>High level of direct contact with patients</td>
<td>Close to patients and frontlines, can see opportunities for improvement</td>
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<tr>
<td></td>
<td></td>
<td>Self-starter, able to work well in teams</td>
</tr>
</tbody>
</table>
What’s the Difference? Physicians

- Decision makers
- Problems brought to them
- Cannot make mistakes
- Cannot show lack of knowledge
- Autonomous
- Immediate
- Trust advisors
- Look for negatives
- All about me

What’s the Difference? Administrators

- Design
- Seek out problems
- Consultative, gather data
- Implement, manage
- Dependent
- Long term
- Must shoulder the blame
- About the team
The Team

Community

Payors, Regulators & Government

Physicians

Patients

Staff

What you need to know about administrators

- They respect and want to take care of you
- Everything is a strategic business decision
- Have no peers in the organization
- They worry as much as you do
Organizational Structure

Board

Administrator

Committees

Physicians

Non-Physician Staff

Physician vs. Administrator Responsibilities

Mission - the reason we are together
Vision - a picture of the ideal state to be achieved
Values - internal compasses that guide our day-to-day decisions
Strategy - things we do differently to create unique value
Goals - how we measure progress toward our vision
Tactics - the things we do to implement
Objectives - how we measure success of our tactics
Structure - how we organize to do work
Manage – making sure the work is done
Board Responsibilities

- Develop Core Values
- Approve By-Laws and Operating Agreements
- Develop and Approve Strategic Plan
- Approve Budget
- Fiduciary Operation of the Company
- Set Performance Standards
- Hire & Terminate Physicians
- Approve MD Comp
- Approve MD Partnership
- Accept Committee Reports
- Settle MD Behavioral Issues
- Hire & Terminate Administrator

President/Physician Leader Responsibilities

- Board of Directors
- Committees
- Physician behavior issues
- Study issues
- Administrator resource
- Evaluate administrator
- Practice medicine
Administrator’s Responsibilities

- Personnel
- Patient and staff safety
- Develop, monitor and adhere to budget
- Operations
- Implement strategic plan
- Implement, enforce policies
- Facilities management
- Staff education
- Other duties as assigned

Administrators...

- Manage the finances
- Manage the people
- Manage the culture
- Manage the operations
- Manage the infrastructure
- Manage the strategy/planning
- Manage the organization
The Common Denominator?

Administrators Manage

BUT

Managing is NOT Doing

Administrators Work As...

- Referees
- Firefighters
- Psychiatrists
- Daycare providers
- Magicians
Administrator Qualities

- Strong leaders
- Good communicators
- Shrewd negotiators
- Excellent listeners
- Able to distill complex systems into action plans

Physician-Practice Administrator Relationship

- Not a new concept
- Cannot be ignored
- Critical to success
- To make this work*
  - Physicians and administrators must support, engage in collaborative culture
  - Behavior must be consistent with values
  - Physician and administrative leadership must be tightly coupled moving in a unified direction
  - *Stephen Beeson, MD, The Studer Group
Physician Management Tools

- Mission, vision and values
- Strategic plan
- Monthly dashboard
- Annual work plan
- Administrator job description/contract
- Administrator review

Administrator Management Tools

- Mission, vision and values
- Strategic plan
- Monthly dashboard
- Annual work plan
- Administrator job description/contract
- Administrator review
- Physician contracts
Administrator Management Tools

- Human resources handbook
- Policies & procedures
- Staff job descriptions
- Staff evaluations
- Physician & staff meetings

Dashboard

- Accounts receivable
- Accounts payable
- Credit balances
- Charges
- Revenue
- Collections
- Expenses
Other Key Indicators

- Relative Value Units (RVU)
- Office visits
- Procedures
- Admissions
- Days worked

Other Management Indicators & Tools

- Benchmarks
  - Internal
  - External
- Employee turnover
- Annual audit
  - Bank reconciliations
  - Budget
- Annual work plan
## Practice Management Annual Task Assessment Tool

At least annually, each applicable task should be reviewed. Use this document as a gap analysis to ensure all applicable tasks are appropriately assigned to staff. Add and delete tasks that are relevant to your practice.

<table>
<thead>
<tr>
<th>Oversight</th>
<th>BOK = Body of Knowledge from MGMA-ACMPE</th>
<th>BOPS = Business Operations</th>
</tr>
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<tbody>
<tr>
<td>FNMG = Financial Management</td>
<td></td>
<td></td>
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<tr>
<td>HRMG = Human Resources Management</td>
<td></td>
<td></td>
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<tr>
<td>INMG = Information Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ORGV = Organizational Governance</td>
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<td></td>
</tr>
<tr>
<td>PCSY = Patient Care Systems</td>
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<tr>
<td>QAMG = Quality Management</td>
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<tr>
<td>RKMG = Risk Management</td>
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</tbody>
</table>

### Table

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<tr>
<th>Oversight</th>
<th>BOK</th>
<th>Task</th>
<th>Yes</th>
<th>No</th>
<th>Accountability</th>
<th>Comments</th>
<th>Review Date</th>
<th>Reviewed By</th>
</tr>
</thead>
</table>

### Successful Relationships

- Trust
- Mutual respect
- Communication
- Clarity
- Encouragement
- Support
- Common goals
Working Together

- Create rules of engagement
- Measure and value the same data
- Plan meetings around patient care
- Start small and build momentum
- Celebrate often
- Spread the word

Practical Suggestions

- Identify mission and core values
- Common goals
- Decide how/when to communicate
- Clarity of roles
- Don’t disagree in public
- Maximize time
- Back-up your administrator (there has to be a leader; do not confuse the staff)
- Let them demonstrate their competency
- Encourage their development – MGMA & ACMPE
- Provide feedback
- Don’t let problems fester
Physician & Staff Meetings

- Set date, time & place
- Agenda
  - In advance
  - Most to least important
- Facilitator & timekeeper
- Facts, data
- Preparation
- Minutes

Verbal Communication Tips

- Difficult conversations
- Tone of voice
- Body language
  - Arms open
  - Lean forward
  - Slow, steady breathing
  - Pause before responding
  - Eye contact
  - Same level
- Be prepared
- Choose the location
- Listen
Written Communication Tips

- Succinct
- Consistent in style
- Make it easy to respond
- Not time sensitive
- Large number of people
- Attach documents
- Tone
  - Subject line
  - Greetings & sign-offs
- Written record
- Never private

As leaders we...

- Envision potential
- Encourage others to develop talents and strengths
- Help others learn how to solve and prevent problems
Leader Must Haves

- Understanding of operational issues with common knowledge base
- Unwillingness to compromise quality, safety and labor for profit
- Alignment of values and improved interactions
- Anticipation of change and embrace new technologies, trends and regulations
- More collaboration and coordination, less duplication
- Greater insight into clinical and patient care activity

When We Are Not In This Together
When the relationship goes off track…

- Have the conversation
  - What is missing?
  - What do you need?
  - Where am I failing?
  - What I need.
  - Where you are failing.
- Is this going to work?
- Be true to yourself

When the team works

- High level of trust
- Expertise used in right places
- Strong communication/planning
- Work together to make decisions
- Adapt to change